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VIA EMAIL AND OVERNIGHT MAIL

Sunday, December 05, 2004

Chairman Michael K Powell
Federal Communications Commission
The Portals
445 12th Street SW, Room 8-B201
Washington DC, 20554

Re: *Access to Unbundled Network Elements, WC Docket No. 03-225*

Dear Chairman Powell:

As **President** of **New Jersey Payphone Association** (NJPA), I am writing to urge you to take emergent action on the pending revision of the Unbundled Network Element (UNE) rules, to ensure that payphone providers continue to have competitive alternatives for their local service needs.

As you know, payphones play a critical role in meeting the needs of the public for communications on the move – especially in emergencies and in disasters such as 9/11. And for many citizens, payphones are the only form of telecommunications available to them on a permanent basis. That is why Congress mandated wide availability of service in the Telecommunications Act. The single largest monthly cost incurred by payphone providers in deploying and maintaining a payphone for public use is the charge paid for local telephone service. Thus, to continue providing these payphones, our members simply must have reliable local service connections at a reasonable cost. Today, our members rely on the availability of competitive telephone company alternatives for local service. Without competitive local service options like UNE-P, there is no market check on what payphone providers may be charged by the incumbent telephone company - who is their chief competitor in the payphone business.

For payphones, the only competitive alternative that has proved effective to date is UNE-P. Payphones generally do not transmit data and do not need broadband channels; thus, broadband facilities do not provide a viable competitive alternative for payphones. In the last few years, our members have had to remove a large number of their payphones from service because their revenue was insufficient to meet operating costs. As you clearly are aware, the rise of wireless cellular phones has changed the typical profile of today's pay telephone user.

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A much larger percentage of pay phone use is from callers that cannot maintain the credit relationship necessary to have traditional residential land line service or cellular service. Payphones remain a vital, cost effective means for many Americans to communicate ... often, ITS THEIR LIFELINE! The reality is that, without UNE-P, many more of the payphones that the American public rely upon and need will be removed from service. Verizon, for one, will have no incentive whatsoever to provide improved services at competitive rates.

As you can clearly understand, as a residential customer or as a business customer I have several viable technological choices when I am selecting a service provider. Wire Line, Cable, Wireless and Satellite are all available to me. However, Payphone Service Providers have no such choice. UNE-P has proven to be a valuable, if not essential, alternative choice for my industry including NJPA members. Without it, we will be forced back to the days of having to get local service from our chief competitor who, at the same time, will control our future. Again, cable, wireless and satellite are not available for Payphone Service Providers. Verizon would, once again, wield their power and drive us, their competition, out of business ...the economics and demographics of pay phone service have changed so dramatically over the past decade, that any return to the old way of doing things, particularly in terms of our number 1 cost, will be disastrous and immediate.

Therefore, on behalf of the NJPA I urge you to take steps to ensure that the FCC's revised UNE rules preserve competitive local service alternatives for payphones. Thank you for your time and consideration.

Sincerely,

Arthur Cooper
President
New Jersey Payphone Association

cc: **Senator Jon S Corzine, Senator Frank R Lautenberg**
Representative Rodney Frelinghuysen